

U.S. Department of Justice

Environment and Natural Resources Division

DJ# 90-11-3-171/1

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US EPA RECORDS CENTER REGION

JANUARY CONTRACTOR OF THE STATE OF THE STATE

December 19, 2013

Via Electronic Mail

Grant Gilezan Dykema Gossett PLLC 400 Renaissance Center Detroit, MI 48243 ggilezan@dykema.com

Re: G&H Landfill Superfund Site, 92-CV-75460 OT (E.D. MI)

Dear Grant:

I received a copy of your letter to U.S. EPA dated December 16, 2013. While I do not fully agree with your portrayal of our communications this year, my focus is on resolving the issue of the PRP Group's financial assurance mechanism under the 1992 Consent Decree and finding an appropriate modification of its terms that would be agreeable to the United States and the PRP Group. To that end, I propose that, as an accompaniment to the PRP Group's Corrective Action Plan for Improving Collection System Performance and the forthcoming Groundwater Extraction, Collection, Treatment, and Discharge System Plan, the PRP Group also submit a cost estimate for implementing the two plans. The purpose of submitting the cost estimate with the plans (or as soon after as practicable) is that EPA could evaluate the adequacy of the plans while considering the costs of implementation, thus expediting our resolution of this issue. Of course, if EPA finds the plans to be inadequate, we would have to continue discussing an appropriate valuation of the remaining work, but we would at least be making progress toward reaching an agreement on a financial assurance modification in the meantime.

My understanding is that the cost estimate of \$6.8 Million that the PRP Group previously provided consisted of remaining O&M for the Site before EPA's recent request for corrective actions. Therefore, I think the focus of the cost estimates can simply be on the additional work proposed under the two new plans. A break-down or explanation for the estimate would help us in our assessment. I hope that the PRP Group will find this to be an acceptable proposal.

Sincerely,

/s/Alison McGregor

Alison C. McGregor